

Tennessee Student Assistance Corporation

Chapter 1640-1-19

Tennessee Education Lottery Scholarship Program Rules

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1640-1-19-.01 Definitions

- (1) Academic Year: Three consecutive semesters that begins with the fall semester and ends with the summer semester.
- (2) ACT: The ACT Assessment administered by ACT, Inc.
- (3) Adjusted Gross Income Attributable to the Student or Student's Adjusted Gross Income:
  - (a) The adjusted gross income of the student's parent or parents as reported on the student's Free Application for Federal Student Aid (FAFSA) and used by the Corporation in determinations of eligibility for federal or state financial aid, if the student is a dependent of a parent or parents as defined by FAFSA; or
  - (b) The adjusted gross income of the student and, if applicable, the student's spouse as reported on the student's FAFSA and used by the Corporation in determinations of eligibility for federal or state financial aid, if the student is independent of parents as defined by FAFSA.
- (4) Alternative Study Program: Program of study including, but not limited to student exchange programs, practicum, co-op programs and internships, that includes travel outside the State of Tennessee that is sponsored or offered by:

- (a) an eligible postsecondary institution; or
  - (b) an eligible postsecondary institution in conjunction with either another eligible postsecondary institution or a postsecondary institution that is accredited by a regional accrediting association.
- (5) Award Year: Three consecutive semesters that begins with the fall semester and ends with the summer semester.
  - (6) Board of Regents: The Board of Regents of the State University and Community College System of Tennessee.
  - (7) Certificate or Diploma: A credential, other than a degree, the receipt of which indicates satisfactory completion of training in a program of study offered by a Tennessee Technology Center operated by the Board of Regents.
  - (8) Continuing Education: Courses and programs that do not lead to a certificate, diploma or degree that are designed for personal development and are an extension of the traditional on-campus learning process.
  - (9) College Core Curriculum: The high school courses in the “Core Curriculum” and “University Preparation Curriculum” approved by the Tennessee State Board of Education in Rule 0520-1-3-.06(1)(b), excluding non-core course electives.
  - (10) Continuous Enrollment: A student is enrolled for at least two of each three consecutive semesters beginning with the semester in which the student initially enrolls in a postsecondary institution.
  - (11) Corporation: Tennessee Student Assistance Corporation.
  - (12) Cost of Attendance: The expenses, both direct and indirect, incurred by a student and the student’s family to finance the cost of receiving a postsecondary education as determined in accordance with the standards and practices used for Title IV programs by the institution at which the student is enrolled.
  - (13) Credit Hours Attempted: The number of semester hours for which a degree-seeking or diploma/certificate-seeking student attending a postsecondary institution is enrolled as of the institutionally defined census date shall be considered credit hours attempted, regardless of whether a grade has been assigned. This standard shall apply to any change to a non-credit status, notwithstanding anything in Rule 1640-1-19-.19.
  - (14) Degree: A two-year associate degree or four-year bachelor’s degree conferred on students by a postsecondary educational institution upon completion of a unified program of study at the undergraduate level.
  - (15) Distance Learning: An educational process that is characterized by the separation, in time or place, between instructor and student. It may include credit hours offered principally through the use of television, audio, or computer transmission, such as open broadcast, closed circuit, cable, or satellite transmission; audio or computer conferencing; video cassettes or discs, or correspondence.
  - (16) Dual Enrollment: An arrangement between a high school and a postsecondary institution wherein a high school student enrolls in postsecondary classes and earns units of credit that count toward high school graduation requirements and hours of postsecondary credit.

- (17) Eligible High School:
  - (a) Tennessee public secondary school; or
  - (b) Any private secondary school that is located in Tennessee and is accredited by the Southern Association of Colleges and Schools.
- (18) Eligible Postsecondary Institution: An eligible independent postsecondary institution or an eligible public postsecondary institution.
- (19) Eligible Independent Postsecondary Institution:
  - (a) An institution created by testamentary trust for which the state acts by statute as trustee and for which the governor is authorized to appoint commissioners with the advice and consent of the senate and that offers courses leading to undergraduate degrees; or
  - (b) A Southern Association of Colleges and Schools accredited private postsecondary institution whose main campus is located in Tennessee.
- (20) Eligible Public Postsecondary Institution:
  - (a) An institution operated by the Board of Regents; or
  - (b) An institution in the University of Tennessee system.
- (21) FAFSA: Free Application for Federal Student Aid or the Renewal FAFSA as authorized by the U. S. Department of Education to indicate eligibility for federal and state financial aid programs.
- (22) Full-Time Student: A student attending a postsecondary educational institution and enrolled for at least twelve (12) semester hours during a semester of attendance.
- (23) General Assembly Merit Scholarship: An award to a student for study in pursuit of an associate or baccalaureate degree at an eligible postsecondary institution awarded for academic excellence to supplement the Tennessee HOPE scholarship.
- (24) GED: A general educational development credential awarded by a state-approved institution or organization.
- (25) Grade Point Average: The numbered grade average calculated using a 4.0 scale, calculated to the hundredth decimal.
- (26) Home School Student: A student who completed high school in a Tennessee home school program meeting the requirements of §49-6-3050. For two (2) years immediately preceding completion of high school as a home school student, such student shall have been a student in a home school associated with a church-related school as defined by §49-50-801 and registered with the Tennessee local school district which the student would otherwise attend as required by §49-6-3050(a)(2)(C)(i) or an independent home school student whose parent or guardian has given notice to the local director of a Tennessee school district under § 49-6-3050(b)(1) of intent to conduct a home school.
- (27) Home Institution: The eligible postsecondary institution in which the student is enrolled and is in a matriculating status working toward a degree, diploma, or certificate.
- (28) Host Institution: The eligible postsecondary institution the student is temporarily attending as a transient student.

- (29) Immediate Family Member: Spouse, parents, children or siblings.
- (30) Incarcerated: Currently confined to a local, state, or federal correctional institution, as well as work release or educational release facilities.
- (31) Joint Enrollment: An arrangement between a high school and a postsecondary institution wherein a student enrolls in postsecondary classes while attending high school, but for which the student will receive credit from only one of the two institutions.
- (32) Matriculated Status: The student is a recognized candidate for an appropriate degree, diploma, or certificate at an eligible postsecondary educational institution.
- (33) Need Based Supplemental Award: An award to a student for study in pursuit of an associate or baccalaureate degree at an eligible postsecondary institution who qualifies for a Tennessee HOPE scholarship and whose adjusted gross income attributable to the student does not exceed \$36,000.
- (34) Parent: A parent or guardian.
- (35) Part-time Student: A student attending a postsecondary educational institution and enrolled for at least six (6) semester hours, but less than twelve (12) semester hours, during a semester of attendance.
- (36) Regional Accrediting Association: Approved accrediting agencies are as follows:
  - (a) The Southern Association of Colleges and Schools;
  - (b) The New England Association of Schools and Colleges;
  - (c) The Middle States Association of Colleges and Schools;
  - (d) The North Central Association of Colleges and Schools;
  - (e) The Northwestern Association of Schools and Colleges; and
  - (f) The Western Association of Schools and Colleges.
- (37) SAT: The Scholastic Aptitude Test administered by the College Board.
- (38) Satisfactory Academic Progress: Progress in a course of study in accordance with the standards and practices used for Title IV programs by the postsecondary institution at which the student is enrolled.
- (39) Semester: Fall, spring, or summer semester at a postsecondary institution, if the institution is on a semester system, or the equivalent, if the institution is on a system other than a semester system.
- (40) Semester Hour: The credit hour used by a postsecondary institution, if the institution is on a semester system, or its equivalent, if the institution is on a system other than a semester system. Semester hour includes each semester hour attempted, whether remedial, developmental or for credit toward a degree, but shall not include any semester hour attempted before graduating from high school or earning a GED.
- (41) Study Abroad Program: Programs of study for which college credit is earned that include travel outside the United States.

- (42) TELS (Tennessee Education Lottery Scholarship) Award: Any scholarship and/or grant provided for by these rules that a student is eligible to receive.
- (43) Tennessee HOPE Access Grant: A grant to freshman students for study in pursuit of an associate or baccalaureate degree at an eligible postsecondary institution that is one-half the amount of a Tennessee HOPE Scholarship and the need based supplemental award, which is funded from net proceeds of the state lottery.
- (44) Tennessee HOPE Scholarship: A scholarship for study in pursuit of an associate or baccalaureate degree at an eligible postsecondary institution that is funded from net proceeds of the state lottery.
- (45) Test Date: Date designated by the ACT, Inc., or the College Board for administration of the ACT or SAT at national test centers designated by the respective testing entities. This shall also include the administration of either test on other dates as approved by the respective testing entities to accommodate an individual student's documented disability or other hardship.
- (46) Title IV: Title IV of the Higher Education Act of 1965, as amended, 20 U.S.C.A. § 1070, et seq.
- (47) Transient Student: A visiting student enrolled in another institution who is granted temporary admission for the purpose of completing work to transfer back to the home institution and who expects to return to the institution in which he or she was previously enrolled.
- (48) Undergraduate Student: A student attending an eligible post-secondary institution and enrolled in a program leading to a diploma/certificate, an associate degree or a bachelor's degree.
- (49) Unweighted Grade Point Average: Grade point average on a 4.0 scale calculated without additional points awarded for advanced placement, honors, or other similar courses.

- (50) Wilder-Naifeh Technical Skills Grant: A grant for study in pursuit of a certificate or diploma at a Tennessee Technology Center operated by the Tennessee Board of Regents that is funded from net proceeds of the state lottery.

Authority: T.C.A. §§49-4-902 and 49-4-923

1640-1-19-.02 Scholarship Award Amounts and Classifications

- (1) The Tennessee Education Lottery Scholarship program is intended to provide financial awards to offset costs associated with pursuing postsecondary education.
- (2) The initial award year will be the 2004-2005 academic year. Award levels for a full-time student in the 2004-2005 academic year are as follows:
  - (a) Tennessee HOPE Scholarship:
    - 1. \$1,500 per semester, maximum \$3,000 at four year institutions; and
    - 2. \$750 per semester, maximum \$1,500 at two year institutions.
  - (b) Tennessee HOPE Scholarship Need Based Supplemental Award:
    - 1. \$500 supplement to base award per semester, maximum \$1,000.
  - (c) General Assembly Merit Scholarship:
    - 1. \$500 supplement to base award per semester, maximum \$1,000.
  - (d) Tennessee HOPE Access Grant (one half of Tennessee HOPE scholarship and need based supplemental award):
    - 1. \$1,000 per semester, maximum \$2,000 at four year institutions; and
    - 2. \$625 per semester, maximum \$1,250 at two year institutions.
  - (e) Wilder-Naifeh Technical Skills Grant:
    - 1. \$1,250 maximum at Tennessee Technology Centers.
- (3) Award amounts for subsequent years shall be determined in accordance with §4-51-111 and shall be set in the general appropriations act.
- (4) Recipients of any TELS award as provided by these rules may enroll as a full-time or part-time student at any eligible postsecondary institution. The amount of the award for part-time students shall be based on the hours attempted. Students enrolled in six, seven or eight hours will receive half of the award of full-time students. Students enrolled in nine, ten or eleven hours will receive three quarters of the award of a full-time student.
- (5) Except for approved medical or personal leaves of absence as provided in Rule 1640-1-19-.17 or emergency military duty as provided in Rule 1640-1-19-.18, award recipients must be continuously enrolled in an eligible postsecondary institution.
- (6) In the event that net lottery proceeds are insufficient to fully fund the TELS award program, the Corporation shall determine the appropriate manner in which the various awards shall be reduced.

- (7) Receipt of student financial aid from sources other than TELS that are applied to educational expenses will not operate to reduce the student's TELS award as long as the student's total aid does not exceed the total cost of attendance. In the event that a student's total aid exceeds the cost of attendance, the eligible postsecondary institution shall, to the extent it does not violate applicable federal regulations, reduce the excess by reducing the student's TELS award.
- (8) The receipt of a Tennessee HOPE scholarship, Tennessee HOPE Access grant, Tennessee HOPE scholarship need based supplemental award and/or General Assembly Merit Scholarship is contingent upon admission to an eligible postsecondary institution. Academically qualifying for any of these awards program does not guarantee admission to an eligible postsecondary institution.

Authority: T.C.A. §§49-4-903, 49-4-912, 49-4-914, 49-4-915, 49-4-916, 49-4-919, 49-4-920, 49-4-921, 49-4-922 and 49-4-924.

1640-1-19-.03      Application Process

- (1) The FAFSA shall be the application for all first year TELS awards and the FAFSA or Renewal FAFSA shall be the means by which eligible students reapply for TELS awards after their initial year of eligibility. The FAFSA must be submitted by mail or electronically as directed in the FAFSA instructions. Regardless of the student's adjusted gross income, he or she is required to complete the FAFSA for each academic year in order to apply for and receive a TELS award.
- (2) Students whose FAFSA is filed with and processed by the U. S. Department of Education on or before May 1 will be given priority in determining awards for the subsequent academic year. Applications processed after May 1 will be considered in the order that they are processed to the extent that funds are available after making awards to students who met the priority deadline. It shall be the responsibility of the student to ensure that the FAFSA is timely submitted to ensure it is processed by the priority deadline.

Authority: T.C.A. §49-4-924.

1640-1-19-.04      General Eligibility

- (1) To be eligible for a TELS award a student shall:
  - (a) Be a Tennessee resident, as defined by Chapter 0240-2-2, Classifying Students In-State and Out-of-State, of regulations promulgated by the Board of Regents, for one year as of May 1 immediately preceding enrollment in an eligible postsecondary institution;
  - (b) Make application for a TELS award by submitting the FAFSA or Renewal FAFSA as required by Rule 1640-1-19-.03;
  - (c) Be admitted to an eligible postsecondary institution;
  - (d) Comply with United States Selective Service System requirements for registration, if such requirements are applicable to the student;
  - (e) Be in compliance with federal drug-free rules and laws for receiving financial assistance;

- (f) Meet each qualification relating to the relevant TELS award and applicable to the student;
- (g) Not be in default on a federal Title IV educational loan or Tennessee educational loan;
- (h) Not owe a refund on a federal Title IV student financial aid program or a Tennessee student financial aid program; and
- (i) Not be incarcerated.

Authority: T.C.A. §§49-4-904, 49-4-905 and 49-4-924.

1640-1-19-.05 Eligibility – Tennessee Hope Scholarship

- (1) In addition to the general eligibility requirements of Rule 1640-1-19-.04, to be eligible for a Tennessee HOPE scholarship, a student shall be admitted to and enrolled in an eligible postsecondary institution the later of either the fall semester immediately following or within six (6) months of:
  - (a) Graduating from a Tennessee high school;
  - (b) Completing high school in a Tennessee home school program; or
  - (c) Obtaining a GED.
- (2) Students must also meet the applicable additional requirements outlined below:
  - (a) Students graduating from an eligible high school after January 1, 2004, shall be required to:
    - 1. Apply for a Tennessee HOPE scholarship prior to enrolling in an eligible postsecondary institution; and
      - (i) Achieve a final overall unweighted high school grade point average of at least 3.0 and achieve a final unweighted grade point average of at least 3.0 in the college core curriculum; or
      - (ii) Attain a composite ACT score of at least 19 on any single ACT test date or a combined SAT score of at least 890 on any single SAT test date.
  - (b) Students completing high school in a Tennessee home school program, obtaining a GED or graduating from a Tennessee high school that is not an eligible high school after January 1, 2004, shall be required to:
    - 1. Apply for a Tennessee HOPE scholarship prior to enrolling in an eligible postsecondary institution; and
      - (i) Attain a composite ACT score of at least 23 on any single ACT test date, or a combined SAT score of at least 1060 on any single SAT test date, if such student completed high school in a Tennessee home school program or graduated from a high school located in Tennessee that is not an eligible high school; or



- (ii) Pass the GED tests with an average score of at least 525, and attain a composite ACT score of at least 19 on any single ACT test date, or a combined SAT score of at least 890 on any single SAT test date.
- (c) Students graduating from a Tennessee high school, completing high school in a Tennessee home school program, or obtaining a GED after January 1, 2003, but prior to January 1, 2004, are eligible to receive a Tennessee HOPE scholarship beginning the 2004-2005 academic year if the following criteria are met:
  - 1. A student graduating from an eligible high school shall:
    - (i) Achieve a final overall unweighted high school grade point average of at least 3.0 and a final unweighted grade point average of at least 3.0 in the college core curriculum; or
    - (ii) Attain a composite ACT score of at least 19 on any single ACT test date or a combined SAT score of at least 890 on any single SAT test date.
  - 2. A student completing high school in a Tennessee home school program or graduating from a high school located in Tennessee that is not an eligible high school shall attain a composite ACT score of at least 23 on any single ACT test date or a combined SAT score of at least 1060 on any single SAT test date.
  - 3. A student obtaining a GED shall pass the GED tests with an average score of at least 525 and:
    - (i) Attain a composite ACT score of at least 19 on any single ACT test date; or
    - (ii) Attain a combined SAT score of at least 890 on any single SAT test date.
  - 4. All students meeting the requirements of subparagraph (2)(c)1, 2 or 3 of this rule, shall also meet each of the following criteria:
    - (i) Attend an eligible postsecondary institution or a postsecondary institution located outside of Tennessee that is accredited by a regional accrediting association during the 2003-2004 academic year without a Tennessee HOPE scholarship and complete at least twenty-four (24) semester hours of credit at such institution with a cumulative grade point average of 2.75;
    - (ii) Maintain satisfactory progress in a course of study in accordance with the standards and practices used for federal Title IV programs by the postsecondary institution in which the student enrolled;
    - (iii) Apply for a Tennessee HOPE scholarship while enrolled as a student at a postsecondary institution during the 2003-2004 academic year prior to the May 1, 2004 priority deadline; and
    - (iv) Be admitted to and enroll in an eligible postsecondary institution for the 2004-2005 academic year.
- (d) Students entering active duty in the United States Armed Services within two years after graduating from a Tennessee high school, completing high school in a Tennessee home school program or obtaining a GED, and otherwise meets the criteria outlined in this rule may apply for a TELS award if the student:

1. Applies within seven years of the student's date of entry into military service, or within one year of the student's honorable discharge from military service, whichever comes first; and
2. After graduation from high school, did not attend a postsecondary institution prior to entering military service.

Authority: T.C.A. §§49-4-905, 49-4-907, 49-4-908, 49-4-909, 49-4-910, 49-4-918 and 49-4-924.

1640-1-19-.06 Eligibility – Tennessee Hope Scholarship Need Based Supplemental Award

Any student eligible for the Tennessee HOPE scholarship with an adjusted gross income attributable to the student that does not exceed \$36,000 will receive a need based supplemental award in addition to the base award. The adjusted gross income attributable to the student shall be reviewed each academic year to determine continuing eligibility for the need based supplemental award. Notwithstanding the provisions of Rule 1640-1-19-.10 to the contrary, a student otherwise eligible for the Tennessee HOPE scholarship and meeting the requirements of this rule shall receive the need based supplemental award regardless of the student's eligibility for this grant in any prior year. A student eligible for both the need based supplemental award and the General Assembly Merit Scholarship shall be awarded the latter, but shall not simultaneously receive both awards.

Authority: T.C.A. §49-4-915, 49-4-917 and 49-4-924.

1640-1-19-.07 Eligibility – General Assembly Merit Scholarship

- (1) Any student eligible for the Tennessee HOPE scholarship and enrolled in a program leading to an associate or baccalaureate degree will also receive a General Assembly Merit Scholarship if the following criteria are met:
  - (a) A student graduating from an eligible high school after January 1, 2004, shall:
    1. Achieve a final overall unweighted high school grade point average of at least 3.75;
    2. Achieve a final unweighted grade point average of at least 3.75 in the college core curriculum;
    3. Attain a composite ACT score of at least 29 on any single ACT test date or a combined SAT score of at least 1280 on any single SAT test date; and
    4. Apply for a General Assembly Merit Scholarship in the senior year of high school.
  - (b) A student completing high school in a Tennessee home school program after January 1, 2004, or graduating from a high school located in Tennessee that is not an eligible high school after January 1, 2004, shall:
    1. Attain a composite ACT score of at least 29 on any single ACT test date or a combined SAT score of at least 1280 on any single SAT test date;
    2. During the course of a home school program or while attending high school, enroll in at least four (4) courses totaling at least twelve (12) credit hours at an eligible postsecondary institution. Such courses shall meet or be equivalent to courses meeting the minimum degree requirements of the Board of Regents,

other than the minimum degree requirements pertaining to physical education;  
and

3. Achieve a cumulative grade point average of at least 3.0 for all courses attempted at any eligible postsecondary institution during the course of a home school program or while attending high school.
- (c) A student graduating from an eligible high school after January 1, 2003, but prior to January 1, 2004, and seeking an associate or baccalaureate degree shall have:
1. Achieved a final overall unweighted high school grade point average of at least 3.75;
  2. Achieved a final unweighted high school grade point average of at least 3.75 in the college core curriculum;
  3. Attained a composite ACT score of at least 29 on any single ACT test date or a combined SAT score of at least 1280 on any single SAT test date;
  4. Applied for the General Assembly Merit Scholarship in the year following graduation from high school and while attending, as a freshman, either an eligible postsecondary institution or a postsecondary institution located outside of Tennessee that is accredited by a regional accrediting association during the 2003-2004 academic year and attempt at least twenty-four (24) credit hours at such institution with a cumulative grade point average of 2.75;
  5. Maintained satisfactory progress in a course of study in accordance with the standards and practices used for federal Title IV programs by the eligible postsecondary institution in which the student enrolled; and
  6. Been admitted to and enrolled in an eligible postsecondary institution for the 2004-2005 academic year.
- (2) A student eligible for both the need based supplemental award and the General Assembly Merit Scholarship shall be awarded the latter, but shall not simultaneously be awarded both.

Authority: T.C.A. §§49-4-916, 49-4-917 and 49-4-924.

#### 1640-1-10-.08 Eligibility – Tennessee Hope Access Grant

- (1) In addition to the general eligibility requirements in Rule 1640-1-19-.04, to be eligible for a Tennessee HOPE access grant a student shall have graduated from an eligible high school after January 1, 2004, and:
  - (a) Have an adjusted gross income attributable to the student that does not exceed \$36,000;
  - (b) Apply for a Tennessee HOPE access grant and file a FAFSA in the senior year of high school;
  - (c) Graduate from an eligible high school after January 1, 2004, upon having completed curriculum requirements of the high school for graduation;
  - (d) Achieve a final overall unweighted high school grade point average of at least 2.75;

- (e) Achieve a final unweighted grade point average of at least 2.75 in the college core curriculum; and
- (f) Attain a composite ACT score of at least 18 on any single ACT test date or a combined SAT score of at least 860 on any single SAT test date.

Authority: §§49-4-920 and 49-4-924.

1640-1-19-.09 Eligibility – Wilder-Naifeh Technical Skills Grant

- (1) In addition to the general eligibility requirements in Rule 1640-1-19-.04, to be eligible for a Wilder-Naifeh technical skills grant a student seeking a diploma or certificate at a Tennessee Technology Center operated by the Board of Regents shall:
  - (a) Be admitted to the institution in a program of study leading to a certificate or diploma; and
  - (b) Have not, at any time, been the recipient of a Tennessee HOPE scholarship or completed a certificate or diploma with a Wilder-Naifeh Technical Skills Grant.
- (2) No minimum number of hours of enrollment is required for eligibility for a Wilder-Naifeh technical skills grant.
- (3) An eligible student may receive a Wilder-Naifeh technical skills grant for all course work required by the institution for a program of study leading to a certificate or diploma. Wilder-Naifeh technical skills grants may not be used for continuing education courses.

Authority: T.C.A. §§ 49-4-921 and 49-4-924.

1640-1-19-.10 Retention of Awards – General Requirements

- (1) To retain a TELS award authorized by this chapter, a student at an eligible postsecondary institution shall continue to meet all applicable requirements for the scholarship and shall reapply by completing the FAFSA or Renewal FAFSA for the applicable award for each academic year.
- (2) Eligibility shall also be reviewed at the end of the semester in which the student has attempted a total of 24, 48, 72, or 96 semester hours. At the end of the semester in which the student has attempted a total of 24 semester hours, the student shall have achieved a cumulative grade point average of at least 2.75 to continue to receive the TELS award. At the end of the semester in which the student has attempted a total of 48, 72, or 96 semester hours, the student shall achieve a cumulative grade point average of at least 3.0 to continue to receive the TELS award.
- (3) Except as provided in paragraph (4) of this rule and Rules 1640-1-19-.17 and 1640-1-19-.18 which outline appropriate justification for medical and personal leaves of absence, a student may receive a Tennessee HOPE scholarship until the first of the following events:
  - (a) The student has earned a baccalaureate degree;
  - (b) The student has attempted at any postsecondary institution a total of 120 credit hours;
  - (c) Five years have passed from the date of the student's initial enrollment at any postsecondary institution.

- (4) The attempted credit hour limitation includes remedial and developmental studies and all regular college credit courses attempted after high school graduation. If a student enters the semester with less than 120 semester hours attempted and will surpass the 120 semester hours limit, he or she is eligible for payment for the full number of hours enrolled for that semester. If the student is enrolled in a specific undergraduate degree program that is designed to be more than 120 semester hours in length, the student is eligible for a total of 136 semester hours attempted, or the number of hours required for graduation, whichever is less. The student is eligible for payment for the full number of hours enrolled in the final semester. Regardless of the number of hours attempted, once the student has earned a bachelor's degree, he or she is ineligible for additional TELS awards.
- (5) A student who meets all other requirements for fourth or fifth year eligibility except that he or she is classified at the professional level rather than as an undergraduate, and has not been awarded a baccalaureate degree, is eligible if he or she was accepted into the professional level program of study that is an extension of the student's bachelor's degree program. Such student is eligible for a total of 136 semester credit hours, or the number of hours required for the degree, whichever is less.
- (6) If a student ceases to be eligible for any TELS award, except the need based supplemental award, at any time for any reason, then the student shall not be eligible to regain the TELS award or become eligible for another TELS award.
- (7) Except as provided by Rule 1640-1-19-.17 or 1640-1-19-.18, a student receiving a TELS award provided by this chapter shall maintain continuous enrollment at an eligible postsecondary institution and maintain satisfactory progress in a course of study in accordance with the standards and practices used for Title IV programs by the postsecondary institution in which the student is enrolled.

Authority: T.C.A. §§49-4-909, 49-4-911, 49-4-912, 49-4-913, 49-4-920, 49-4-921 and 49-9-924.

#### 1640-1-19-.11 Retention of Awards – Tennessee Hope Access Grant

- (1) In addition to the general requirements for retention of award in Rule 1640-1-19-.10:
  - (a) A Tennessee HOPE access grant shall be awarded to an eligible student only until the end of the semester in which the student has attempted a total of 24 credit hours. A student who is eligible for a Tennessee HOPE scholarship shall be ineligible for a Tennessee HOPE access grant.
  - (b) If a student receiving a Tennessee HOPE access grant has achieved a cumulative grade point average of at least 2.75 at the end of the semester in which the student has attempted 24 semester hours, the student shall be eligible for a Tennessee HOPE scholarship. The student will also receive the need based supplemental award referenced in Rule 1640-1-19-.06, if the adjusted gross income attributable to the student at the time of review does not exceed \$36,000.
  - (c) A student may receive a Tennessee HOPE scholarship after having received a Tennessee HOPE access grant until the first of the following events:
    1. The student has earned a baccalaureate degree;
    2. The student has attempted at any postsecondary institution a total of 120 semester hours, or if the student is enrolled in an undergraduate degree program required to be more than 120 semester hours in length, that student is eligible for

a total of 136 semester hours attempted, or the number of hours required for graduation, whichever is less; or

3. Five years from the date of the student's initial enrollment at any postsecondary institution have passed.

Authority: T.C.A. §§49-4-920 and 49-4-924.

1640-1-19-.12 Tennessee Education Lottery Scholarship Award Process

- (1) On or before March 1 of each year all eligible high schools shall submit to the Corporation the name, social security number, unweighted overall grade point average, and unweighted college core grade point average for academically eligible seniors who received a composite ACT score less than 19 on any ACT single test date or a combined SAT score less than 890 on any single SAT test date, cumulative through the seventh semester.
- (2) On or before March 1 of each year all Tennessee high schools that are not eligible high schools shall submit to the Corporation the name, social security number, unweighted overall grade point average, and unweighted college core grade point average for academically eligible seniors who received a composite ACT score less than 23 on any ACT single test date or a combined SAT score less than 1060 on any single SAT test date, cumulative through the seventh semester.
- (3) On or before July 1 of each year, all Tennessee high schools shall revise and submit to the Corporation the information required of each in paragraphs 1 or 2 of this rule, cumulative through the eighth semester.
- (4) On or before September 1 of each year, all Tennessee high schools shall, to the extent it has not already done so, submit to the Corporation the following information for all students who graduated during the previous academic year:
  - (a) name;
  - (b) social security number;
  - (c) high school code;
  - (d) final unweighted overall grade point average;
  - (e) final unweighted college core grade point average;
  - (f) number of college core courses taken;
  - (g) number of Advanced Placement courses taken;
  - (h) ACT composite, verbal and math scores; and
  - (i) SAT composite, verbal and math scores.
- (5) On or before March 1, 2004, utilizing information provided on the student's high school transcript, all eligible postsecondary institutions shall submit to the Corporation the name, social security number, the number of college core courses taken in high school and the final unweighted college core and unweighted overall grade point averages from high school on students who after January 1, 2003, but before January 1, 2004:
  - (a) enrolled in the respective institutions in the fall 2003 and/or spring 2004 semesters; and

- (b) graduated from an eligible high school and received a composite ACT score less than 19 on any ACT single test date or a combined SAT score less than 890 on any single SAT test date; or
- (c) completed high school in a Tennessee home school program, obtained a GED or graduated from a high school located in Tennessee and received a composite ACT score less than 23 on any single ACT test date or a combined SAT score less than 1060 on any single SAT test date.

Authority: T.C.A. §§49-4-903 and 49-4-924.

1640-1-19-.13 Continuation of Tennessee Education Lottery Scholarship Award

- (1) All students receiving a TELS award shall reapply for the award by the May 1 priority deadline each subsequent year. Students whose FAFSA or Renewal FAFSA is filed with and processed by the U. S. Department of Education on or before May 1 will be given priority in determining awards for the subsequent academic year. Application is made by filing a FAFSA or Renewal FAFSA as provided in Rule 1640-1-19-.03.
- (2) On or before July 1 of each year, all eligible postsecondary institutions shall submit to the Corporation the number of credit hours attempted and the cumulative grade point average of all students receiving a TELS award during the previous academic year.
- (3) On or before March 31, 2004, all eligible postsecondary institutions shall also submit to the Corporation the following information relative to each student enrolled in the institution who graduated from a Tennessee high school, completed high school in a Tennessee home school program or obtained a GED after January 1, 2003, but before January 1, 2004, and who as an entering freshman met the applicable qualifications of Rule 1640-1-19-.05(1) and (2)(c):
  - (a) the number of credit hours attempted in the fall 2003 and spring 2004 semesters; and
  - (b) the cumulative grade point average for the fall 2003 semester.
- (4) On or before July 1, 2004, each eligible postsecondary education institution shall update this information to include each student's cumulative grade point average through the spring 2004 semester.
- (5) Students whose eligibility could be affected by courses taken during the summer semester shall not be deemed to be eligible or ineligible based on the July 1 reports to the Corporation.

Authority: 49-4-903, 49-4-911 and 49-4-924.

1640-1-19-.14 Award Made in Error

If a student receives a TELS award and it is later determined that all or a portion of the award was made in error, the student shall be required to reimburse the eligible postsecondary institution for the amount of the award made in error. The eligible postsecondary institution shall provide the student with a notice indicating the amount to be refunded. Additionally, the eligible postsecondary institution shall notify the Corporation of the charge back, which shall be noted on the student's record. The eligible postsecondary institution shall also be responsible for obtaining repayment from the student. The student will be ineligible for student aid from the Corporation until the refund is paid.

Authority: T.C.A. §49-4-924.

## 1640-1-19-.15 Refund Policy

If a student fails to complete a semester for any reason, the eligible postsecondary institution shall apply its refund policy to determine whether a refund may be required and/or funds returned to the Corporation. The eligible postsecondary institution shall provide the student with a notice indicating the amount to be returned to the student or the amount to be refunded to the Corporation. Additionally, the eligible postsecondary institution shall notify the Corporation of the charge back, which shall be noted on the student's record. The eligible postsecondary institution shall also be responsible for obtaining repayment from the student. The student shall be ineligible for student aid from the Corporation until the refund is paid.

Authority: T.C.A. §49-4-924

## 1640-1-19-.16 Converting from Full-time to Part-time Enrollment

- (1) Students enrolled in a full-time status, as of institutionally defined census date, may not convert to part-time status within the same semester and receive a scholarship award for that semester unless the student requests and the institution approves the change to part-time status.
- (2) An institution may allow a change from full-time to part-time status within the same semester only when there are documented medical or personal grounds. Such medical or personal grounds shall include, but not be limited to, illness of the student, illness or death of an immediate family member, extreme financial hardship of the student or student's immediate family, or other extraordinary circumstances beyond the student's control where continued full-time attendance by the student creates a substantial hardship.
- (3) Each eligible postsecondary institution shall adopt procedures for considering student requests for change from full-time to part-time status within the semester. In the event an institution denies a student's request to change from full-time status to part-time status within a semester, the student may appeal the decision pursuant to Rule 1640-1-19-.23.
- (4) In the event that the decision to deny the change of status is upheld through the appeals process, the student shall be ineligible to regain the TELS award or become eligible for another TELS award.
- (5) In the event the change to part-time status is approved, the amount of the scholarship award shall be reduced in accordance with the provisions of Rule 1640-1-19-.02(4) regarding part-time awards.

Authority: T.C.A. §§49-4-911, 49-4-912 and 49-4-924.

## 1640-1-19-.17 Personal or Medical Leave of Absence

- (1) A student may be granted medical or personal leaves of absence from attendance at an eligible postsecondary institution and resume receiving an award(s) upon resumption of the student's attendance at an eligible postsecondary institution so long as all other applicable eligibility criteria are met. Each eligible postsecondary institution shall adopt procedures for considering student requests for leaves of absence. An eligible postsecondary institution may grant leaves of absence only for medical or personal reasons. In addition to the reasons outlined in Rule 1640-1-.19, allowable medical or personal reasons shall include, but not be limited to, illness of the student, illness or death of an immediate family member, extreme financial hardship of the student or student's immediate family, to fulfill a religious commitment expected of all students of that faith, or other extraordinary circumstances



beyond the student's control where continued attendance by the student creates a substantial hardship. Acceptable reasons shall also include a student's participation in an internship or co-op program that is required or encouraged as part the academic program in which he/she is enrolled. In the event an institution denies a student's request for a medical or personal leave of absence, the student may appeal the decision in accordance with Rule 1640-1-19-.23.

- (2) A student granted a medical or personal leave of absence who resumes their education at an eligible postsecondary institution shall retain TELS award eligibility until the first of the following events:
  - (a) The student has earned a baccalaureate degree;
  - (b) The student has attempted at any postsecondary institution a total of 120 semester hours, or if the student is enrolled in an undergraduate degree program required to be more than 120 semester hours in length, that student is eligible for a total of 136 semester hours attempted, or the number of hours required for graduation, whichever is less; or

- (c) The sum of the number of calendar years the student attended a postsecondary institution prior to the leave of absence and the number of calendar years of attendance after the leave of absence equals five calendar years.

Authority: T.C.A. §§49-4-903, 49-4-919 and 49-4-924.

1640-1-19-.18 Military Mobilization of Eligible Students

- (1) Members of the United States Armed Services, National Guard, or Armed Forces Reserves receiving a TELS award who are mobilized for active duty during a semester that is already in progress shall be granted a personal leave of absence by the eligible postsecondary institution the student is attending and shall not have their TELS award eligibility negatively impacted.
- (2) If, as a result of being mobilized, a student elects to completely withdraw from an eligible postsecondary institution, then the hours attempted during the semester will not be taken into consideration for purposes of determining future TELS award eligibility.
- (3) If due to a military mobilization the student elects to receive an “incomplete” in any or all courses, the provisions of Rule 1640-1-19-.19(13) shall apply.
- (4) Upon re-enrollment within one year following mobilization, the student’s TELS award eligibility will resume as if no break in enrollment had occurred and shall retain TELS award eligibility until the first of the following events:
  - (a) The student has earned a baccalaureate degree;
  - (b) The student has attempted at any postsecondary institution a total of 120 semester hours, or if the student is enrolled in an undergraduate degree program required to be more than 120 semester hours in length, that student is eligible for a total of 136 semester hours attempted, or the number of hours required for graduation, whichever is less; or
  - (c) The sum of the number of calendar years the student attended a postsecondary institution prior to the leave of absence and the number of calendar years of attendance after the leave of absence equals five calendar years.
- (5) An eligible postsecondary institution shall be authorized to consider a request for a leave of absence from a student whose spouse, child, father or mother is mobilized for active duty as a valid basis for a personal leave of absence. This request shall be made in accordance with the provisions of this rule. If the request is granted the student shall receive the same accommodations described above.

Authority: T.C.A. §§49-4-903, 49-4-919 and 49-4-924.

1640-1-19-.19 Calculation of Postsecondary Cumulative Grade Point Average

- (1) The postsecondary cumulative grade point average used to determine eligibility for a renewal of a TELS award, must be calculated by the institution the student is attending, utilizing its institutional grading policy and must be based on all credit hours attempted after high school graduation, except as otherwise provided in this rule.
- (2) All credit hours attempted at all postsecondary institutions the student has attended and their corresponding grades must be included in the calculation of the postsecondary cumulative grade point average, regardless of whether the receiving institution will apply the credit hours

toward the student's degree requirements. Credit hours that were repeated shall be included in the postsecondary cumulative grade point average calculation and are counted towards the limitation on credit hours.

- (3) Credit hours attempted prior to high school graduation, completion of a home school program in Tennessee or achieve a GED do not count toward the limitation on credit hours provided in Rule 1640-1-19-.11(3), nor are the grades for those classes included in the postsecondary cumulative grade point average.
- (4) Credit hours earned by examination are not eligible for payment with TELS awards and shall not be included in the postsecondary cumulative grade point average or counted towards the limitation on credit hours provided in Rule 1640-1-19-.10(3).
- (5) Credit hours attempted as part of a diploma or certificate program of study are not considered to be college credit hours and therefore shall not be included in the postsecondary cumulative grade point average or counted towards the limitation on credit hours provided in Rule 1640-1-19-.10(3), unless those hours are accepted toward a degree.
- (6) Remedial and developmental studies and independent studies courses are eligible for payment with TELS awards and shall be included in the calculation of the postsecondary cumulative grade point average and shall be counted towards the limitation on credit hours provided in Rule 1640-1-19-.10(3).
- (7) Courses in which a student enrolls as an audit student for which no college credit will be received cannot be paid with a TELS award nor will the credit hours be included in the calculation of the postsecondary cumulative grade point average or in the credit hour limitation provided in Rule 1640-1-19-.10(3).
- (8) Continuing education courses are not eligible for payment with TELS awards and shall not be included in the postsecondary cumulative grade point average or counted towards the limitation on credit hours provided in Rule 1640-1-19-.10(3).
- (9) Students who obtain a grade change shall notify the financial aid office within 30 calendar days of the grade change and request reinstatement of his/her award on a form developed by the institution for this purpose. If the grade change makes the student eligible for a TELS award, the student can be awarded retroactively in the current award year. If the grade change affects the student's eligibility from the previous award year, the TELS award may be adjusted in the current award year. The eligible postsecondary institution shall make necessary reductions in the student's financial aid package if the reinstatement of a TELS award results in either an over award of need based aid or exceeds the institution's cost of attendance for any semester. If the student's application for reinstatement is denied, he/she may appeal the decision in accordance with Rule 1640-1-19-.23.
- (10) A student enrolled in a matriculating status at an eligible postsecondary institution shall qualify for TELS award payment for distance learning courses if all other eligibility requirements are met. Students may take courses through more than one eligible postsecondary institution during the same semester. Payment for the distance learning courses shall be made in the same manner as transient students as provided in Rule 1640-1-19-.21.
- (11) A student enrolled in a matriculating status at an eligible postsecondary institution may qualify for TELS award payment while participating in an internship or co-op program if the student receives college credit from the internship or co-op experience and must pay tuition and fees. The credit hours shall be included in the postsecondary cumulative grade point average and count toward the limitation on credit hours as provided in Rule 1640-1-19-.10(3).

- (12) A student enrolled in a matriculating status at an eligible postsecondary institution may qualify for TELS award payment while participating in an alternative study or study abroad program if all other eligibility requirements are met. The eligible postsecondary institution which is the student's home institution must approve the alternative study or study abroad program for credit toward the student's degree and the number of hours that will be applied toward the degree prior to the student's departure.
- (13) Courses that appear on a student's transcript as an "incomplete" shall be considered credit hours attempted. The student's TELS award eligibility, however, shall be determined by excluding the credit hours attributable to the course for which an "incomplete" has been assigned from the cumulative grade point average calculation.
  - (a) If the student fails to retain eligibility for a TELS award as a result of the calculation, but later becomes eligible when the grade for the "incomplete" course is reported, the student is eligible to receive a TELS award retroactively within the award year and shall retain eligibility. Retroactive TELS awards for previous award years shall be added to the current award year. The eligible postsecondary institution shall, however, make necessary reductions in the student's financial aid package if the reinstatement of a TELS award results in either an over award of need based aid or exceeds the institution's cost of attendance for any semester. It shall be the responsibility of the student to notify the financial aid office at the eligible postsecondary institution that a grade has been awarded and request that the TELS award be reinstated. Each eligible postsecondary institution shall develop a standard form for use by students to comply with this provision. If the student's application for reinstatement is denied, he/she may appeal the decision in accordance with Rule 1640-1-19-.23.
  - (b) If the student retains eligibility for a TELS award as a result of the calculation, but later becomes ineligible when the grade for the "incomplete" course is reported, then the student shall be ineligible for all TELS awards. Additionally, the student shall reimburse the institution for TELS awards received in the interim.
- (14) If the student is otherwise eligible to receive a TELS award, but does not receive TELS funding, or TELS funding is reduced because his or her cost of attendance is covered by other aid, all credit hours attempted that semester shall still apply to the credit hour limitation provided in Rule 1640-1-19-.10(3).

Authority: T.C.A. §§49-4-903 and 49-4-924.

#### 1640-1-19-.20 Transfer Students

A TELS recipient transferring from an eligible postsecondary institution to another is eligible for a TELS award if all eligibility requirements continue to be met.

Authority: T.C.A. §§49-4-910 and 49-4-924.

#### 1640-1-19-.21 Transient Students

A transient student is eligible to receive a TELS award if all other eligibility requirements are met and if both the home and host institutions are eligible postsecondary institutions. The home institution shall award the TELS funds to the transient student based on certification of eligibility from the host institution. The home institution shall certify to the Corporation that the student is eligible for a TELS award. Each eligible postsecondary institution shall develop a process to effectuate each provision of this rule and shall notify its students of the process and the availability of the necessary forms to comply with the

requirements. At the end of the semester the host institution shall provide the student's home institution with all information necessary for the home institution to determine continued TELS award eligibility.

Authority: T.C.A. §49-4-903 and 49-4-924.

1640-1-19-.22 Denial of Initial Eligibility – Failure to Timely Enroll

- (1) A student who fails to timely enroll in an eligible postsecondary institution as required by Rule 1640-1-19-.05(1) may be granted an exception if the student failed to meet the requirement for any reason provided for in this rule. An exception shall be granted only for medical or personal reasons. Acceptable medical or personal reasons shall include, but not be limited to, illness of the student, illness or death of an immediate family member, extreme financial hardship of the student or student's immediate family, to fulfill a religious commitment expected of all students of that faith, or other extraordinary circumstances beyond the student's control where timely enrollment by the student would create a substantial hardship. In the event a student's request for an exemption for failing to timely enroll is denied, the student may appeal the decision pursuant to Rule 1640-1-19-.23.

Authority: T.C.A. §§49-4-903 and 49-4-924.

1640-1-19-.23 Appeal and Exception Process

- (1) Each eligible postsecondary institution shall establish an Institutional Review Panel (IRP) for the purposes of hearing appeals from decisions denying or revoking applicants' TELS award. Each eligible postsecondary institution shall establish written procedures for an applicant or recipient to appeal a decision of an eligible postsecondary institution to deny or revoke a TELS award. These procedures shall include, but not be limited to, the establishment and composition of the IRP and the process and timelines for appeals to the IRP. Each eligible postsecondary institution shall also establish a process to ensure students applying for or receiving a TELS award are notified of the procedures to appeal the denial or revocation of a TELS award including the timeframe within which an appeal must be filed with the TELS Award Appeals Panel. No eligible postsecondary institution official rendering a decision to deny or revoke a TELS award shall participate in the appeal process for the same applicant or recipient. The IRP may award or reinstate the student's TELS award without a hearing and shall make such determination no later than 14 calendar days after an applicant or recipient properly files an appeal. If the IRP determines that a hearing is required the IRP shall hear the appeal no later than 14 calendar days after an applicant or recipient properly files an appeal. Except where exigent circumstances exist, the IRP shall render a decision no later than seven calendar days after hearing an appeal. Such decision shall be reduced to writing and shall include a summary of the pertinent facts and issues and the panel's decision. The IRP shall provide a copy of the written decision to the appellant as soon as practicable. For the purposes of this rule, it will be presumed that the decision was delivered to the appellant two calendar days after the decision was placed in the U.S. Postal Service addressed to the appellant's official mailing address according to the eligible postsecondary institution's records.
- (2) A three person TELS Award Appeals Panel shall be appointed by the Corporation's Executive Director for purpose of hearing appeals from decisions rendered by the IRPs. No official of an eligible postsecondary institution shall sit as a member of the Appeals Panel where the denial or revocation being appealed involves such official's eligible postsecondary institution. A student seeking an appeal of a decision rendered by an IRP shall request an appeal, to include a written statement outlining the basis for the appeal, with the Corporation within 14 calendar days from the date that the decision was delivered to the student. The record of the IRP hearing shall be provided to the Corporation by the eligible postsecondary institution that

held the appeal. The Appeals Panel may award or reinstate the student's TELS award without a hearing. This decision shall be made no later than 14 calendar days after an appeal is properly filed and the record from the IRP hearing is received. If the Appeals Panel determines that a hearing is required, it shall provide the appellant with at least 14 calendar days notice of the hearing date, such notice shall include the time and location of the hearing. The Appeals Panel shall hear the appeal no later than 45 calendar days after the appeal is properly filed, unless an extension is requested by the appellant and granted by the Appeals Panel. Except where exigent circumstances exist, the Appeals Panel shall render a decision no later than 14 calendar days after hearing an appeal. Such decision shall be reduced to writing and shall include a summary of the pertinent facts and issues and the panel's decision. The Appeals Panel shall provide a copy of the written decision to the appellant as soon as practicable. The Appeals Panel is the final administrative appeal.

- (3) The authority of the IRPs and the TELS Award Appeals Panel shall be strictly limited to consideration of appeals arising from eligibility determinations made by an eligible postsecondary institution or the Corporation. Neither appeals panel shall have the authority to rule on the validity of any information provided to the eligible postsecondary institution or Corporation by another entity on which its decision to deny or revoke a TELS award was based, including, but not limited to high school grade point average, ACT or SAT scores, or grades from another eligible postsecondary institution. Additionally, neither appeals panel shall have the authority to consider requests for exceptions to the high school grade point average or curriculum track requirements.

Authority: T.C.A. §49-4-924.